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THE AGRICULTURAL SITUATION.

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY FOR EXTENSION WORKERS AND THE STAFF BY THE BUREAU OF AGRICULTURAL ECONOMICS, U. S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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INTEREST BEGINS TO CENTER IN THE CROPS

There are two keys to the probable situation next fall. One is the progress of the crops. The other is the progress of the boom in urban business.

The crops will soon hold the center of the stage once more. The season has been backward. Cotton is coming along in fair shape, after getting away to a late start. Wheat harvest is on in the Southwest; it is not as encouraging a crop as might be wished, over the belt as a whole. The general wheat situation is problematical. Little can yet be said of corn, potatoes, hay or fruit, except that they all carry moderately good prospects.

On the livestock side, sheep men are still very optimistic; cattle men are rather uncertain; hog raisers hope, but are meanwhile somewhat on the fence. There are a lot of pigs on the farms, in spite of a bad farrowing season. On the other hand, the cities and the entire South are eating pork freely. Also, pork is the one major farm product of which our exports are heavier than a year ago.

Labor shortage is beginning to be felt - to some extent in lack of hands and distinctly in higher wages.

With the general export market unpromising, farm products may lean heavily upon our own urban market this fall. The business boom has already forced a higher market for farmers to buy in. It remains to be seen how far it will make a better one for them to sell in. During the next two months it will pay to keep an eye on the trend of urban wages and employment as well as on the crop reports.

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REGIONS AT A GLANCE

BUREAU OF
STATISTICS

THE EAST - Has rather gained in optimism. Planted spring crops on normally heavy scale. Dairy product prices have shown improvement but marketing situation still unsettled. Some labor shortage.

THE SOUTH - Cotton acreage said to be around 9% increase over last year. Planting done and stands are fair. Boll weevil have appeared in some sections. Weather been unfavorable east of the river. South worried over migration of negroes to urban centers.

CORN BELT - "Business as usual." Sentiment is for watchfulness on hog situation, but inclined to still see some profit in hogs at prevailing prices. Crops generally beginning to come in fair shape.

WHEAT BELT - Harvest begun in South. Yields fair but not indicative of main crop. Considerable acreage was abandoned in western part of belt. Spring wheat stands generally good, but acreage below last year. Labor problem looming large in Oklahoma and Kansas.

RANGE COUNTRY - Cattle moving into the valley ranges and sheep up the mountains. Water scarce in some irrigated sections due to slow melting of snow in mountains. Wool prices 45¢ to 50¢ pound with tendency to hold the bigger clips. Big influx of Mexicans reported in Southwest.

PACIFIC COAST - Hot weather hurt strawberries and some truck in Southern California. Deciduous fruit and nuts have done well. Picking Valencia oranges under way. Dairymen and poultrymen optimistic; latter increasing flocks. Coast a bit nervous over possible transportation and labor shortages. Many Mexicans coming in.

AVERAGE PRICES, AT THE FARM, OF REPRESENTATIVE PRODUCTS
Month Ending May 1, 1923.

Actual prices received at the farm by producers. Average of reports covering the United States, weighted according to relative importance of county and State. Figures compiled by Division of Crop and Live-Stock Estimates of this Bureau. Quotations in dollars or cents.

Shows 1913, year ago, and latest available month.

	<u>Apr.</u> <u>1913</u>	<u>Apr.</u> <u>1922</u>	<u>Mar.</u> <u>1923</u>	<u>Apr.</u> <u>1923</u>
Cotton, per lb.	¢ 11.6	15.9	28.4	26.9
Corn, per bu.	¢ 56.8	59.7	76.3	83.0
Wheat, per bu.	¢ 80.9	121.0	106.9	109.8
Hay, per ton	\$ 10.42	12.98	12.40	12.69
Potatoes, per bu.	¢ 48.2	104.3	73.6	81.3
Oats, per bu.	¢ 34.2	37.9	43.9	45.7
Apples, per bu.	¢ 89.5	209.1	147.1	161.0
Beef cattle, per 100 lbs.	\$ 6.08	5.53	5.62	5.78
Hogs, per 100 lbs.	\$ 7.94	8.83	7.52	7.45
Eggs, per dozen	¢ 16.1	21.0	21.8	22.5
Butter, per lb.	¢ 27.0	34.7	41.4	40.3
Wool, per lb.	¢ 17.7	24.8	37.3	39.2
Veal calves, per 100 lbs.	\$ 7.38	7.26	8.20	7.78
Lambs, per 100 lbs.	\$ 6.59	10.54	11.01	10.69

The price trend of important crops continued upward, excepting cotton. The upward trend is natural at this time of year, when stocks on hand are reaching low ebb.

Livestock prices continued just about stationary.

Broadly speaking, the crops seem to be in relatively stronger price position than the animals. This is the reverse of a year ago, when cattle, hogs, wool, lambs, etc., were making their marked up-swing.

PRICE INDEXES FOR MONTH ENDING MAY 1

1913 = 100

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics. Shows year ago, and latest available months:

Farm Products
(Prices at the farm)

	Apr. <u>1922</u>	Mar. <u>1923</u>	Apr. <u>1923</u>	Month <u>Trend</u>
Cotton	128	229	217 - - -	Lower
Corn	95	128	145 - - -	Higher
Wheat	154	136	140 - - -	Higher
Hay	118	113	115 - - -	Slightly higher
Potatoes	162	114	126 - - -	Higher
Beef cattle	94	95	98 - - -	Slightly higher
Hogs	118	100	100 - - -	Same
Eggs	109	113	117 - - -	Slightly higher
Butter	129	153	149 - - -	Lower
Wool	148	223	235 - - -	Higher

Commodity Groups
(Wholesale Prices)

	Apr. <u>1922</u>	Mar. <u>1923</u>	Apr. <u>1923</u>	Month <u>Trend</u>
Farm products	129	143	141 - -	Lower
Food, etc.	137	143	144 - -	Higher
Cloths & clothing	171	201	205 - -	Higher
Fuel & lighting	194	206	200 - -	Lower
Metal & met. products	113	149	154 - -	Higher
Bldg. materials	156	198	204 - -	Higher
Chemicals, etc.	124	135	136 - -	Higher
House-furnishing goods	175	185	187 - -	Higher
<u>All commodities</u>	143	159	159 - -	<u>Unchanged</u>

RELATIVE PURCHASING POWER

(At April 1923 Farm Prices)

1913 = 100

<u>In terms of:</u>	<u>Of a Unit of:</u>				
	<u>Cotton</u>	<u>Corn</u>	<u>Wheat</u>	<u>Hay</u>	<u>Potatoes</u>
All commodities	136	91	88	72	79
Cloths, etc.	106	71	68	56	61
Fuel, etc.	108	73	70	57	63
Metals, etc.	141	94	91	75	82
Bldg. materials	106	71	69	56	62
House-furnishing goods	116	77	75	61	67

	<u>Beef cattle</u>	<u>Swine</u>	<u>Eggs</u>	<u>Butter</u>	<u>Wool</u>
All commodities	62	63	74	94	148
Cloths, etc.	48	49	57	73	115
Fuel, etc.	49	50	58	74	117
Metals, etc.	64	65	76	97	153
Bldg. materials	48	49	57	73	115
House-furnishing goods	52	54	63	80	125

The purchasing power indexes worked slightly higher during April in the case of most of the crops. Cotton was the exception.

Livestock products also moved somewhat higher except in case of swine, which stood unchanged from the previous month.

SUMMARY OF PRICE INDEX NUMBERS

1913 = 100

An index number cannot be assumed to show an absolutely precise position. It is, however, what the term suggests, an "index" to the relative situation. In other words, it indicates the trend.

In the following, farm price indexes are made up by this Bureau; wholesale prices are the Department of Labor indexes. Purchasing power represents relationship between prices, at the farm, of unit quantities of farm products and wholesale prices of unit quantities of commodities other than farm products.

Year and Month	Farm Price Crops 15th of Month	Farm Price Livestock 15th of Month	Farm Price Crops and livestock combined	Wholesale price All Commodities	Wholesale price of Non-Agrl. Commodities*	Purchasing Power of Farm Products [#]
1913	100	100	100	100	100	100
1914	108	103	106	98	94	112
1915	110	95	102	101	97	106
1916	124	111	118	127	132	89
1917	208	164	186	177	176	106
1918	224	192	208	194	186	112
1919	234	198	216	206	195	111
1920	238	168	203	226	234	87
1921	109	107	108	147	161	67
1922	113	111	112	149	163	69
<u>1922</u>						
January	98	95	96	138	150	65
February	105	108	106	141	149	71
March	112	117	114	142	150	76
April	115	115	115	143	153	75
May	118	118	118	148	161	73
June	119	119	119	150	164	72
July	118	119	118	155	172	69
August	114	112	113	155	176	64
September	110	109	110	153	170	64
October	110	110	110	154	169	65
November	118	105	112	156	169	66
December	123	104	114	156	168	68
<u>1923</u>						
January	126	106	116	156	170	68
February	130	107	118	157	172	69
March	134	106	120	159	175	69
April	139	107	123	159	176	70

* "All commodities", excluding farm products and food.

[#] Expressed in terms of other products.

THE COLD STORAGE SITUATION

May 1 holdings (Figures show nearest thousand):

<u>Commodity</u>	<u>5 Year Average</u>	<u>May 1, 1922</u>	<u>Apr. 1, 1923</u>	<u>May 1, 1923</u>
Creamery butter, lbs.	7,658	3,830	4,824	3,248
American cheese, lbs.	13,012	10,862	14,465	14,068
Case eggs, cases	3,585	4,648	453	3,710
Total poultry, lbs.	47,340	50,840	94,872	74,748
Total beef, lbs.	168,367	64,507	90,502	78,065
Total pork, lbs.	870,441	594,241	864,674	933,841
Lard, lbs.	121,217	96,055	66,743	84,495
Lamb & mutton, lbs.	8,150	2,071	6,635	5,768
Total meats, lbs.	1,131,743	712,887	1,031,808	1,087,086
Apples, bbls.	785	944	2,314	1,074

Butter moving out of storage; stocks below average.

Eggs moved into storage in some volume, bringing stocks about in line with average.

Pork moved into storage in heavy volume and the stocks are decidedly large. This holds significance for corn belt producers.

Apples moved out in heavy volume.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets. Compiled by this Bureau. All figures given to nearest thousand, that is, three ciphers omitted:

Month	WHEAT	CORN	HOGS	CATTLE	SHEEP	BUTTER
	Receipts Th. Bu.	Receipts Th. Bu.	Receipts Thousands	Receipts Thousands	Receipts Thousands	Receipts Th. lbs.
1921 Total	435,606	340,908	41,040	19,764	24,168	569,340
1922 Jan.	18,372	52,097	4,278	1,628	1,835	41,697
" Feb.	21,151	58,330	3,612	1,416	1,399	38,894
" Mar.	19,729	31,035	3,411	1,622	1,465	44,919
" Apr.	15,536	14,552	3,067	1,470	1,227	42,694
" May	29,015	27,083	3,737	1,878	1,692	68,893
" June	19,753	31,157	3,776	1,759	1,700	93,139
" July	42,128	25,975	2,980	1,709	1,677	92,829
" Aug.	59,649	24,380	3,037	2,149	1,951	62,494
" Sept.	56,992	35,296	3,062	2,373	2,303	46,419
" Oct.	49,124	32,477	3,682	2,936	3,311	41,351
" Nov.	41,510	23,925	4,421	2,427	2,288	38,678
" Dec.	46,002	37,466	5,004	1,825	1,516	38,475
" Total	418,961	393,773	44,067	23,192	22,364	650,482
1923 Jan.	38,002	38,371	5,306	1,876	1,636	48,697
" Feb.	20,176	30,518	4,492	1,427	1,366	39,877
" Mar.	22,081	24,710	4,926	1,502	1,430	49,881
" Apr.	21,785	16,836	4,318	1,670	1,447	48,881

The most significant thing shown here was the continued heavy run of hogs to market.

Cattle receipts have also been relatively heavy. Same true of butter.

THE TREND OF EXPORT MOVEMENT

Compiled from Commerce reports by Division of Statistical Research, of this Bureau.

Month	WHEAT including flour 1,000 Bushels	CORN 1,000 Bushels	BACON, HAMS AND SHOULDERS 1,000 Pounds	LARD 1,000 Pounds	TOTAL* MEATS 1,000 Pounds	COTTON running bales 1,000 Bales
1922 January	15,010	19,393	48,120	73,194	55,777	459
" February	10,992	22,052	66,003	75,520	62,647	326
" March	14,374	22,668	54,763	64,377	62,231	452
" April	10,449	18,485	43,254	42,459	48,828	602
" May	14,267	10,914	44,058	50,817	50,196	457
" June	18,195	11,646	55,621	57,249	64,124	478
" July	19,124	14,244	59,252	66,058	67,886	365
" August	38,964	12,170	51,353	68,907	60,443	269
" September	31,839	9,608	51,040	61,120	60,863	366
" October	25,077	10,149	50,940	66,333	60,651	798
" November	17,578	7,521	51,407	62,321	63,357	855
" December	16,428	4,758	65,642	78,596	76,951	606
1923 January	12,519	7,163	74,432	107,786	86,938	470
" February	12,197	8,699	64,488	89,055	75,023	360
" March	10,725	7,500	66,441	109,187	75,933	318
" April	10,195	5,270	68,528	85,475	77,963	260
10 mos. July-Apr. 1921-22	246,940	153,825	522,512	704,314	606,574	5,581
Same period 1922-23	194,646	87,082	603,522	794,837	705,886	4,691

The general trend of exports continues materially lower than last year in case of grain and cotton, and higher in case of pork products.

The latter fact must be reckoned as an influence in the hog situation.

* Includes fresh, canned and pickled beef, bacon, hams and shoulders, fresh, canned and pickled pork, mutton and lamb.

GENERAL BUSINESS INDICATORS
RELATED TO AGRICULTURE

	1922 <u>Apr.</u>	1923 <u>Mar.</u>	1923 <u>Apr.</u>	Month's <u>Trend</u>
<u>Production</u>				
Pig iron (Thou. tons)	2,072	3,521	3,548	Same
Bituminous coal (Thou. tons)	15,780	46,807	42,500	Decrease
Cement (Thou. barrels)	9,243	9,880	11,322	Increase
Automobiles shipped (Thou. carloads)	31	44	44	Same
<u>Consumption</u>				
Cotton by mills (Thou. bales)	433	623	577	Decrease
Unfilled orders Steel Corp. (Thou. T.)	---	7,403	---	-----
Building contracts (Millions dollars)	353	334	356	Increase
Hogs slaughtered (Thousands)	2,000	3,234	2,924	Decrease
Cattle " "	898	956	1,080	Increase
Sheep " "	678	805	855	Increase
<u>Movements</u>				
Bank clearings (N.Y.) (Billions dollars)	19	20	18	Decrease
Car loadings (Weekly av., Thousands)	727	916	941	Increase
Mail order sales (Thou. dollars)	22,071	32,730	30,691	Decrease
Men employed, 1428 firms (Thousands)	1,617	2,037	2,040	Improved
Unemployment in Pa. (Thousands)	215	157	12	Improved
Interest rate, Coml. Paper (60-90D)	4.58	5.00	5.13	Higher
Loans and discounts, F.R.M. banks (Millions dollars)	10,846	11,783	16,473	Increase
Grand total exports (Millions dollars)	329	341	---	-----
Argentine wheat shipments (Millions bu.)	19	19	17	Decrease
Wholesale Price Index (Dept. Labor)	143	159	159	Same
Food retail price index (Dept. Labor)	139	142	143	Higher
Av. price 25 industrial stocks (dollars)	95	116	113	Lower

Some signs suggest that the industrial boom may be entering the phase of peak costs, competitive bidding for labor and materials, strikes, etc.

The building boom has already received some preliminary shocks in the shape of strikes and suggested curtailment of credit.

In general, production is still very heavy but the evidence as to buying and distribution is less impressive than two months ago.

THE INTERNATIONAL WHEAT SITUATION

Division of Statistical Research, B. A. E.

(The following statement was prepared by Dr. O. C. Stine, under date of May 26, 1923. It is commended to attention of men in the wheat States.)

The reduction of 2,377,000 acres in the winter wheat area in the United States for 1923 as compared with the area in 1922 has been more than made up by increases in India and in some of the European countries. The total area of all wheat reported to date, in the northern hemisphere (18 countries) for the harvest of 1923 is 128,905,000 acres, an increase of .4 per cent over the area in the same countries last year. These countries represent 61 per cent of the total area of wheat reported in the crop year 1922-1923 and about 70 per cent of the area in the northern hemisphere.

The wheat area of Europe outside of Russia, including all important countries excepting Hungary and Germany reported to date shows a net increase of 700,000 acres. On the basis of average yields per acre in these countries this increase would produce 11,000,000 bushels. The yields in many European countries last year were below the average, but reports this year indicate that thus far prospects are good for yields above the average.

It seems probable therefore that there will be an increase in European production that will at least make up for the prospective decrease in production in the United States.

A considerable increase is reported in the fall sown grain of Russia and a considerable increase is expected in the spring seedings. In the southern hemisphere seedings are in progress with prospects for some increase in area in Argentina.

India has already harvested a record crop. Whereas India imported wheat in 1920-21 and last year exported only 9,000,000 bushels, she has an exportable surplus this year of at least 60,000,000 bushels and possibly 105,000,000 bushels of wheat.

Present indications are that there will be at the end of this season a larger carry-over of wheat in the United States than there was last year. Beginning the year with a supply estimated to be about 28,000,000 bushels greater than at the beginning of the year 1921-22, on March 1 stocks exceeded stocks as of the same date last year by 47,000,000 bushels. In the first ten months of the season the United States has exported only 184,000,000 bushels as against

236,000,000 bushels in the same period last year. The exports in March and April of this year amounted to only 21,000,000 bushels as against 25,000,000 bushels exported in the same months last year. This would indicate that unless exports during May and June greatly exceed last year, which amounted to about 33,000,000 bushels, the stocks at the beginning of the crop year 1923-24 will be much greater than the stocks at the beginning of last year.

The deficiency in exports of wheat from the United States is being made up in part by an increase in exports of rye which in the ten months, July to April, increased from 19,000,000 bushels in the same period last year to 42,000,000 bushels.

The United States has had to meet increased competition from other countries, especially Canada which harvested a record crop last year. Our exports to most of the European countries have been less than last year. Only France has taken more wheat from the United States. Germany has taken more rye but less wheat. The United Kingdom has taken more wheat from other sources, principally, Canada and Argentina and less from the United States.

The world's supply of wheat for this year was very evenly balanced with that for last year, but it was distributed differently; there was a larger deficit in Europe and a greater exportable surplus in exporting countries outside of Europe.

European imports of wheat and flour are running ahead of last year, but not far enough ahead to make up at the end of the year for the deficit in the European production in 1922 as compared with 1921. The imports for the first seven months, as compiled from reports of the International Institute, from August 1, 1921 to February 28, 1922 exceed the imports for the same period last year by about 5,000,000 bushels. The same percentages of the total imports to date this year as ^{last} amount to about 524,000,000 bushels as against about 517,000,000 bushels imported last year. Broomhall estimates Europe's purchases for the year at 608,000,000 bushels. Shipments to Europe for the first thirty-nine weeks of the year, as reported by Broomhall, in comparison with the average shipments for the same period of the previous six years indicate the same figures.

The above figures indicate that Europe may be expected to import between 524 and 608 million bushels of wheat. To balance last year's available supply in Europe it would be necessary to import about 693,000,000 bushels. Therefore it seems probable that at the end of the year there will remain larger stocks of wheat for the beginning of the year 1922-23 than were available at the beginning of the year 1921-22.

NOTES ON SITUATION IN CERTAIN KEY REGIONS

NEW YORK

The prices of New York State dairy products are considerably better than last year. It seems possible now that the prices which producers receive up to midsummer will be not far from 40 per cent above 1922. Grain is higher. Cows are going on the pasture a few days later than usual. The average dairyman will pay high feed bills for these few extra unusual days.

Farm labor is very scarce and wages are rather high. About as much productive work is being done as usual because weather has been favorable for out-door work and farmers are neglecting all unproductive work and increasing their efforts in every way possible to make the usual plantings. Reports from the State Department of Farms and Markets indicate that more than the usual amount of spring plowing had been accomplished by May 1. I see very little likelihood that there will be a marked decrease in the acreage of many crops.

Prospects seem good for a good fruit crop at the present time. We have had some cold weather but probably little injury up to date, May 14. Some of our best fruit men are expecting a big Baldwin crop for New York State. Unless we have particularly unfavorable conditions of some sort in the next few weeks there is a fair chance that we will have an over-production of apples next fall.

(From C. E. Ladd, Farm Management Specialist, New York.)

ILLINOIS

Farm wages in Illinois have increased about \$10 per month over 1922. Labor has been scarce. Weather conditions between oat sowing, (about April 7 in Central Illinois) and May 10 have been favorable for getting the maximum amount of corn ground prepared per man. The shortage of labor has therefore been less serious in its effect than it might have been under different weather conditions.

Through the Corn Belt of Illinois 60 to 70 Counties have grain fields infested with chinch bugs. The bugs have not been hurt to any extent by the rains which came during the middle of May. There is danger of considerably more damage to wheat and corn than occurred during 1922. Considerable clover winter killed. This has been particularly true of clover on soil which has just been on the border line in regard to acidity. Pastures are late, but are improving rapidly since the rains.

The prospects are for a maximum apple crop - probably 4,000,000 barrels. The peach crop was seriously damaged by the zero temperature on March 19, and will give only one-third to one-half of a crop.

In the dairy regions the outlook is good as long as business in general prospers. Some of the marketing difficulties are being over-come, particularly in the St. Louis area.

Cattle feeders have enjoyed a reasonable measure of prosperity during the past winter.

(From E. Rauchenstein, Farm Management Specialist, Illinois.)

SOUTH DAKOTA

South Dakota farmers are considerably more optimistic than they were a year ago. Our surveys show that net returns on the 1922 business were very much better than those for the 1921 business. Farmers now see a chance for them to break even with moderately good farming. They are carrying a considerable load of indebtedness incurred during the period in which they did not make operating expenses. However, these debts are not such a discouraging factor if some possibility of meeting them can be seen.

During the last year or two the only outlook has been for debts to increase in amount.

There is a general feeling that hog prices are likely to be lower within the next year. However, I think the sentiment of South Dakota as a whole is toward continued increase in hog production in spite of that fact, as hogs have shown very good profit during the last year, and it is felt that they will still be profitable even at somewhat lower prices, especially in view of the fact that high freight rates make some concentration of our products necessary.

There is considerable tendency to increase sheep production in the northwest quarter of the State. Ewes are selling at eleven to twelve dollars per head, which is very high compared to prices during recent years.

There also seems some tendency toward an increased production in heavy horses, and, apparently, in poultry production, over what has been customary in this State.

The marked tendency to sell off calves during the last year or two would seem to indicate a further shortage of cattle on the ranges.

Spring seeding is very late. This will cut down wheat acreage to some extent, and much of the oats and barley is going in on rather poorly prepared ground, which may prove disastrous if we should have a dry year.

There will apparently be a 5 or 10 per cent decrease in potato acreage, especially on the part of those growers who are irregular producers of potatoes. The professional potato growers seem to be tending to hold about the same acreage as last year.

Corn acreage will remain about the same or, possibly, may increase slightly.

Flax acreage will be materially larger; however, this is not a large crop relative to the others and a considerable percentage increase will not greatly affect the farming of the State. This same holds true for sweet clover, which is being sown more than before.

On the whole, it would seem that South Dakota is developing toward a sounder agricultural practice, and is not making any very radical changes in any line of production.

(From M. R. Benedict, Assistant to Commissioner of Agriculture, South Dakota.)

TEXAS

Taking the State as a whole the agricultural situation looks extremely promising. All the crops are from one to two weeks late, due to the late spring freezes and to the spring rains. The spring rains, however, have more than compensated by putting an excellent season in the ground where such season was lacking.

The increased cotton acreage has been made up of land that was not in cultivation last year; of land that was too dry to be planted in wheat, and from land that is ordinarily planted in feed crops. Some counties in the West and Northwest Texas are planting cotton this year that never planted cotton before. In South and Central Texas cotton is up to a good stand, is being worked out as fast as it comes on, and looks extremely promising. Replanting has been very small and the ground is in excellent condition, particularly through the black land belt which grows the bulk of Texas cotton.

The late spring rains have made the prospect for a feed crop very gratifying. The acreage of feed is smaller than it has been for the last couple of years for it has been sacrificed in favor of cotton when there is a doubt in the farmer's mind.

Early grain sorghums are looking fine for growing feeds. What wheat was planted last year is beginning to ripen and ... promises an excellent crop. The same may be said of oats. Many counties are making a bigger oat yield to the acre than they have in recent years.

The great range country from San Angelo west is in better condition than it has been for many years. Cattle are fatter for this time of the year than they have been, the old timers say, for 10 years. The calf crop has been good and losses have been very small. They have had more than their normal rain for this season of the year. Sheep men are very optimistic. Breeding ewes were selling for \$10 per head. Spring lambs are from \$5 to \$6 for September delivery. The bulk of the wool has been contracted at 50 cents per pound, most of it on the sheep's back, the fleeces averaging about $7\frac{1}{2}$ pounds. Sheep are fat and the lamb crop has been above normal.

Fertilizer companies report that through East Texas, the fertilizer-using belt, the increased sale of fertilizer over last year has been in some instances 100 per cent. Competent observers say that the application of fertilizer will be 75 per cent above last year.

At present, the labor situation is about at an equilibrium, there being no surplus of labor and no particular shortage. It is predicted that within the next month there will be a shortage of labor, due to the fact that cotton chopping and grain harvesting

will compete for itinerant farm labor. At present no one is alarmed over the prospective shortage.

Country bankers say that the cotton crop of last year enabled them to collect many debts that they had given up as total losses. All the money that was cleared from last year's cotton crop has gone to pay accumulated debts. There is very little surplus for agricultural uses. Having paid their debts farmers are in position to make new loans on this year's crop. There are taking advantage of this to a considerable degree. Cattle loans are easily available and the financial situation in the range country is much improved, there being no demand for unusual credit.

The acreage in commercial sweet potatoes will be considerably lower, due to the low price last fall for sweet potatoes and the high price of cotton. Many sweet potato growers have abandoned sweet potatoes and turned their land into cotton. The tomato acreage in East Texas was severely reduced by the spring freezes. The prospect was for a normal crop until the spring freeze killed the plants in the cold frames. The cotton price will induce the farmers to plant cotton instead. However, the comparative acreage between cotton and tomatoes in Texas makes tomatoes insignificant.

Farmers are not buying much new machinery, only that which would normally have been replaced in the last few years. In some sections, however, there is a good demand for small tractors. Taken as a whole, Texas crops and live stock have never looked more promising.

(From M. M. Daugherty, State Farm Management Specialist,
Texas.)

CALIFORNIA

The indications are that there will be a bumper crop of practically all kinds of deciduous fruits in California this year. The goodly supply of rain in April afforded the growers a splendid opportunity to cultivate and put their orchards in good shape for summer. A comparatively small amount of damage has been done by frosts, fungi, and other diseases. The apricots, peaches, cherries, and strawberries that have come on the market so far indicate that the quality of fruit is going to be very good.

The raisin industry in California has profited by a recent reorganization of the Co-operative Marketing Association which handles the fruit. The organization is stronger today than it ever has been. However, it is realized by the growers and the officers of the organization that their biggest problem is ahead of them, that is, in the marketing of a great increase in the

production of raisins. The price of raisins has dropped to a point where the producer can not expect to receive more than three or four cents per pound for raisins. This price is very close to, if not below, the cost of production, consequently the growers who bought vineyards at the peak price will find it very difficult to meet their payments and pay interest on borrowed money.

The citrus fruit growers have recovered remarkably well from the frost injury of 1921, and are in a very flourishing condition at this time. The prospects are good for a large crop of both oranges and lemons. The amount of planting of new acreage to citrus fruit has been rather limited in the past year.

The dairymen of California have been close to, if not at the top of the list of prosperous farmers during the past year. The rise in the cost of feed supplies and the shortage of labor, however, will no doubt materially affect the profit in dairying for 1923. The tendency is to decrease the size of the dairy herd in order that the family labor may take care of the dairy herd without being dependent on outside labor.

There is a steady increase in the production of poultry and poultry products in California. The net returns to the poultrymen have varied a good deal during the past few months. The price has stiffened up somewhat at the present time so that the poultrymen are quite optimistic as to the outlook for the poultry industry. The white leghorn continues to be the most popular breed in California.

California is realizing a condition in regard to the hog industry which is very similar to the condition found in the middle western States. There has been a marked increase in the number of brood sows and pigs the last six months. With the rise in the value of grains and the decrease in the sale price of hogs, the breeders are wondering just what the outlook will be. I believe that there is a tendency to decrease rather than increase the supply of hogs.

It has been found that the general practice of the beef cattle men is to milk more of the cows this year than ever before. In the mountain sections near the ranges several new cheese factories and creameries have started operations within the last few months, due to the increased supply of milk from the beef cattle. The range conditions appear to be getting more discouraging from year to year, and the practice of raising beef cattle on the large ranges will become of minor importance. Some beef cattle producers are putting up silos and raising more feed for their cattle,

Considerable concern is being felt relative to the probable shortage of cars for transportation of fruit crops this summer.

It is noted that the shortage of ranch labor is becoming more serious all the time, and various methods of using school children and closing stores in small communities will be resorted to.

The agricultural outlook for California in 1923 is decidedly varied, but I would say, as a whole, the farmers are in equally as good condition, if not slightly better, than they were in 1922.

(From R. V. Wright, Farm Management Specialist, California.)

WASHINGTON

The prospects for crops in this section are better than they have been for many years. We have had a five year drought period and many of the farmers have become quite discouraged, especially in the drier sections, not in what we call the Palouse section. All dry farming districts of the State have had heavy rains with a smaller amount of dry wind than for the past five winters. All cereals are in excellent shape and if we get a rain the latter part of May or in June, we will have a bumper crop.

Farm lands have probably depreciated about 35% from the high point in 1920. Few farm lands are changing hands. Labor has been scarce this year, and I have pictures of one of our farmers driving twenty head of horses pulling six bottoms, plowing twenty acres a day. This is labor efficiency. I have also a picture of one man driving twenty head of horses pulling three large Superior drills. Another picture of a farmer drilling and harrowing at the same time. Farmers are using larger tools each year because of the low price of farm products.

(From R. N. Miller, Farm Management Specialist, Washington.)

THE CHICAGO EXTENSION CONFERENCE

Extension workers from the Corn Belt States gathered in Chicago two weeks ago to confer on problems of home and farm management. There was enough solid discussion to nail down some important points.

The conference of farm management men developed about as definite, clean-cut issues, both of objectives and methods, as has ever been done to date. It was interesting to see this group of men come together, having a background of ten years' experience, if only to note whether experience had really brought them anywhere.

One thing the farm management work, as an extension project, has been up against has been the difficulty of measuring its results in tangible, numerical terms. It was therefore interesting to note the feeling evident in this conference, on the part of Extension Directors present as well as others, that the value of this work does not depend solely on results that can be counted as eggs in a basket may be counted. The sentiment of the group, while it was distinctly for results and plenty of them, nevertheless plainly regarded this as educational work - something the results of which are partly to be looked for in better economic thought and understanding by the farm community. There is a growing conception of it as an educational job, rather than a purely "service" job.

One thing the farm management extension men did which has needed doing for a long time. That was to reduce both their objectives and certain methods of attaining these to definite statements and put them on paper. The statement of objectives reveals a significant trend in this work. The trend is toward broadening it, toward making it a vehicle to carry basic economic material affecting the business of farming. After discussion, this statement of objectives was reduced to three points, as follows:

1. To teach farm people to better analyze the internal organization of their business, so as to increase their net income over a period of years.
2. To acquaint farm people with the facts bearing on economic changes at home and abroad, in order that they may more accurately adjust production to demand.
3. To assist in correlating the work of all extension forces toward developing economically sound extension programs.

All in all, this conference may be written down as a forward-looking session. There is a job in this field - a bigger one than some people realize. These are critical times in the economic history of American farming. Good teachers on the job, out among the farms as well as in class rooms, are one big asset.